

QUICK LINKS TO UPDATED FORMS

[Form 51](#), [Form 58](#)

GENERAL ANNOUNCEMENTS

1. The annual lender [recertification](#) was due on April 30th. Participating Lenders that have not renewed by May 31st will have their reservation authority suspended.
2. PHFA will begin charging a \$93 tax service fee in the future which will be netted from the purchase proceeds. The effective date will be based on application date. Advance notice of the specific roll out date will be provided.
3. A new electronic document system called VirPack will be implemented in the future. Advance notice of the specific roll out date will be provided.

LOAN ORIGINATIONS & UNDERWRITING

1. Effective for applications taken on or after May 16, 2016, a fee of 37.5 bps will apply for loans relocked within 60 days of the expiration date. This is a revision to the fee schedule that was listed in the first quarter update.
2. As a point of clarification for student loan repayments, lenders should follow the guidelines of the applicable insurer/investor (FHA, VA, or RD for government loans, and the more restrictive of Fannie or the MI company for conventional loans).
3. The following updates have been made to the Compliance Package Checklist [Form 51](#):
 - The “List of Service providers” has been added as a required item.
 - A copy of the signed statement/acknowledgment that the borrowers have received the Home Loan Toolkit booklet has been added as a required item.
 - The loan type may now be “checked” within the pdf versus having to circle it.
4. The prior requirement under the HFA Preferred™ program that Single Paid Lender MI plans be refundable has been removed since that option is not available from the MI companies.

CLOSING & POST CLOSING

1. The Purchase Package checklist [Form 58](#) was revised so that it now requires a copy of the Closing Disclosure (CD) that was delivered to the borrowers within the required time frame depending upon the manner in which it was delivered. The CD issued at closing is also required but does not satisfy the requirement for the initial CD.
2. Effective immediately, a cushion of one to two months for the initial escrow account is acceptable; our guidelines previously indicated that no cushion was permitted.
3. In the near future, PHFA will net the escrow funds from the purchase proceeds for the [Purchase Improvement](#) program, and the lender will no longer have the option to administer these escrow funds. Advance notice of the specific roll out date will be provided.
4. The following are reminders based upon common deficiencies found through our post purchase Quality Control process:
 - For all FHA transactions, the Settlement Certification must be completed and included with the CD in the purchase package.

- Evidence the borrower's identification was verified must be provided per the "USA Patriot Act". This could include copies of the driver's license, passport, or a statement of what was obtained. It cannot be a copy of the lender's policy; it must be specific to the loan.
 - Closing Disclosures must be accurate and have all applicable information completed/marked. Examples of missing information include: missing name and/or address of settlement agent on all appropriate pages, the Demand Feature Section not completed, missing Seller's address on page 1, name of entity to which doc prep fee was paid, etc.
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Please [contact us](#) with any questions.